

122 FERC ¶ 61,118
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 8, 2008

In Reply Refer To:
Northern Natural Gas Company
Docket No. RP08-138-000

Northern Natural Gas Company
1111 South 103rd Street
Omaha, NE 68124

Attention: Dari R. Dornan, Senior Counsel

Reference: Waiver Request

Ladies and Gentlemen:

1. On December 21, 2007, Northern Natural Gas Company (Northern) filed a petition for limited waiver of its General Terms and Conditions (GT&C) to resolve a prior period imbalance with St. Croix Valley Natural Gas (St. Croix). Section 32(D) of Northern's GT&C sets forth its tier system for cashing out imbalances. The cash-out prices are based on Monthly Index Prices (MIP) for the Market Area, Field Area, and Gulf Coast, and the amount of each tier is based on the level of the monthly imbalance. According to Northern, in November 2007, its River Falls town border station (TBS), located in River Falls, Wisconsin, sustained a meter malfunction that caused intermittent flow measurement problems. Northern states that it did not discover the malfunction until December 5, 2007, and repaired the meter on December 11, 2007. Northern states that it cashed out St. Croix's November 2007 imbalance, applying the applicable tier premiums, before it realized St. Croix's meter was malfunctioning. Northern contends that since the meter malfunction was beyond St. Croix's control, Northern should have cashed out St. Croix's November 2007 imbalance at the average MIP price instead of applying any premium tier penalties. Accordingly, Northern requests a limited waiver of its GT&C so that it can implement this prior period cash-out adjustment. Northern states that granting of the waiver would result in a billing adjustment of \$2,998.63 to St. Croix.

2. The Commission noticed Northern's filing on January 2, 2008, allowing for protests as provided by section 154.210 of the Commission's regulations. Pursuant to Rule 214, 18 C.F.R. § 385.214 (2007), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding

or place additional burdens on existing parties. No party filed a protest or adverse comments.

3. For good cause shown, we grant Northern a limited waiver of the tiering provisions set forth in section 32 of its GT&C. Granting this waiver will allow Northern to complete its November 2007 imbalance resolution with St. Croix, and to exclude the higher penalties arising from the meter malfunction.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

Cc: All Parties

J. Gregory Porter
Vice President and General Counsel
Northern Natural Gas Company
1111 South 103rd Street
Omaha, Nebraska 68124

Frank X. Kelly
Steve Stojic
Gallagher, Boland & Meiburger, L.L.P.
818 18th Street, N.W., Suite 800
Washington, D.C. 20006-3520